FILED 1 San Francisco County Superior Court 2 OCT 2 8 2016 Clifford Chanler, State Bar No. 135534 Christopher Tuttle, State Bar No. 264545 3 CLERK OF THE COURT THE CHANLER GROUP BY: FELICIAM, GREEN 2560 Ninth Street 4 Deputy Clerk Parker Plaza, Suite 214 Berkeley, CA 94710-2565 5 Telephone: (510) 848-8880 Facsimile: (510) 848-8118 6 E-mail: cliff@chanler.com E-mail: ctuttle@chanler.com 7 Attorneys for Plaintiff 8 MARK MOORBERG 9 10 SUPERIOR COURT OF THE STATE OF CALIFORNIA 11 COUNTY OF SAN FRANCISCO 12 UNLIMITED CIVIL JURISDICTION 13 14 MARK MOORBERG, Case No. CGC-16-549929 15 [PROPOSED] JUDGMENT PURSUANT Plaintiff, TO TERMS OF PROPOSITION 65 16 SETTLEMENT AND CONSENT ٧. **JUDGMENT** 17 WILLIAM PRYM, INC., et al., Date: October 28, 2016 18 Defendants. Time: 9:30 a.m. Dept. 302 19 Judge: Hon. Harold Kahn 20 Reservation No. 09071028-03 21

JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT

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1	Plaintiff Mark Moorberg and Defendant Prym Consumer USA, Inc., having agreed		
2	through their respective counsel that Judgment be entered pursuant to the terms of their		
3	settlement agreement in the form of a consent judgment, and following this Court's		
4	issuance of an order approving their Proposition 65 settlement and Consent Judgment,		
5	IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, pursuant to		
6	Health and Safety Code section 25249.7(f)(4) and Code of Civil Procedure section 664.6,		
7	judgment is hereby entered in accordance with the terms of the Consent Judgment attached		
8	hereto as Exhibit 1. By stipulation of the parties, the Court will retain jurisdiction to		
9	enforce the terms of the settlement under Code of Civil Procedure section 664.6.		
10	IT IS SO ORDERED.		
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13	Dated: OCT 2 8 2016 HAROLD KAHN		
14	JUDGE OF THE SUPERIOR COURT		
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	JUDGMENT PURSUANT TO TERMS OF PROPOSITION 65 SETTLEMENT AND CONSENT JUDGMENT		

# EXHIBIT 1

1 2 3 4 5 6 7 8 9 10 11	COUNTY	OF THE STATE OF CALIFORNIA OF SAN FRANCISCO O CIVIL JURISDICTION		
13	MARK MOORBERG,	Case No. CGC-16-549929		
14	Plaintiff,	[PROPOSED]CONSENT JUDGMENT		
15		(Health & Safety Code § 25249.6 et seq. and Code of Civil Procedure § 664.6)		
16	V.	Code of Civil Procedure § 664.6)		
17	WILLIAM PRYM, INC., et. al.,			
18	Defendants.			
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	CONSENT JUDGMENT			

#### 1. <u>INTRODUCTION</u>

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#### 1.1 Parties

This Consent Judgment is entered into by and between plaintiff Mark Moorberg,

("Moorberg") and defendant Prym Consumer USA, Inc. ("Prym"), with Moorberg and Prym each
referred to individually as a "Party" and collectively as the "Parties."

#### 1.2 Plaintiff

Moorberg is a resident of the State of California who seeks to promote awareness of exposures to toxic chemicals, and to improve human health by reducing or eliminating harmful substances contained in consumer and commercial products.

#### 1.3 Defendant

Prym employs ten or more persons and is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code section 25249.5 *et seq.* ("Proposition 65").

#### 1.4 General Allegations

Moorberg alleges that Prym manufactures, imports, sells and/or distributes for sale in California, vinyl/PVC cutting mats containing di(2-ethylhexyl)phthalate ("DEHP"), and that it does so without providing the health hazard warning that Moorberg alleges is required by Proposition 65.

#### 1.5 Product Description

The products covered by this Consent Judgment are vinyl/PVC cutting mats containing DEHP, including, but not limited to, the *Dritz Cutting Mat-6"x 8*," #1047, UPC #0 72879 25014 5 (collectively, "Products").

#### 1.6 Notice of Violation

On June 26, 2015, Moorberg served Prym and the requisite public enforcement agencies with a 60-Day Notice of Violation ("Notice"), alleging that Prym violated Proposition 65 when it failed to warn its customers and consumers in California that the Products expose users to DEFIP. To the best of the Parties' knowledge, no public enforcer has commenced and is diligently prosecuting an action to enforce the allegations set forth in the Notice.

#### 1.7 Complaint

On January 15, 2016, Moorberg commenced the instant action, naming Prym, among others, as a defendant for the alleged violations of Proposition 65 that are the subject of the Notice.

#### 1.8 No Admission

Prym denies the material, factual, and legal allegations contained in the Notice and Complaint, and maintains that all of the products that it has sold or distributed for sale in California, including the Products, have been, and are, in compliance with all laws. Nothing in this Consent Judgment shall be construed as an admission by Prym of any fact, finding, conclusion of law, issue of law, or violation of law, nor shall compliance with this Consent Judgment constitute or be construed as an admission by Prym of any fact, finding, conclusion of law, issue of law, or violation of law. This Section shall not, however, diminish or otherwise affect Prym's obligations, responsibilities, and duties under this Consent Judgment.

#### 1.9 Jurisdiction

For purposes of this Consent Judgment only, the Parties stipulate that this Court has jurisdiction over Prym as to the allegations contained in the Complaint, that venue is proper in the County of San Francisco, and that the Court has jurisdiction to enter and enforce the provisions of this Consent Judgment pursuant to Proposition 65 and Code of Civil Procedure section 664.6.

#### 1.10 Effective Date

For purposes of this Consent Judgment, the term "Effective Date" shall mean the date that the Court grants the motion for approval of this Consent Judgment contemplated by Section 5.

#### 2. INJUNCTIVE RELIEF: REFORMULATED PRODUCTS & WARNINGS

#### 2.1 Commitment to Reformulate or Warn

Prym agrees that as of the Effective Date, all products it sells and/or distributes for sale in California will either: (a) meet the definition of "Reformulated Products" established by this Section; or (b) bear a clear and reasonable warning pursuant to Section 2.2, below.

For purposes of this Settlement Agreement, "Reformulated Products" shall mean Products containing no more than 1,000 parts per million (0.1%) DEHP in any accessible component (i.e., any component that may be touched during use) when analyzed pursuant to U. S. Environmental

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Protection Agency testing methodologies 3580A and 8270C or equivalent methodologies utilized by federal or state agencies for the purpose of determining DEHP content in a solid substance.

#### 2.2 Clear and Reasonable Warnings

Prym agrees that as of the Effective Date, all Products it sells and/or distributes in California which do not qualify as Reformulated Products, will bear a clear and reasonable warning pursuant to this Section. Prym further agrees that the warnings will be prominently placed with such conspicuousness when compared with other words, statements, designs or devices as to render it likely to be read and understood by an ordinary individual under customary conditions of use. For purposes of this Settlement Agreement, a clear and reasonable warning for the Products shall consist of a warning affixed to the packaging, label, tag, or directly to a Product sold in California and containing one of the following statements:

WARNING: This product contains DEHP, a chemical known to the State of California to cause birth defects or other reproductive harm.

WARNING: This mat contains phthalates, substances known to the State of California to cause birth defects and other reproductive harm.

#### 3. MONETARY SETTLEMENT TERMS

#### 3.1 Civil Penalty Payment Pursuant to Health and Safety Code § 25249.7(b)(2)

Pursuant to Health & Safety Code § 25249.7(b), in settlement of all the claims referred to in this Consent Judgment, Prym shall pay \$5,000 in civil penalties. The civil penalty payment will be allocated in accordance with California Health and Safety Code section 25249.12(c)(1) & (d), with 75% of the penalty amount remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty amount paid to Plaintiff. Prym will provide its payment in two checks for the following amounts made payable to: (a) "OEHHA" in the amount of \$3,750; and (b) "Mark Moorberg, Client Trust Account" in the amount of \$1,250.

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#### 3.2 Reimbursement of Attorneys' Fees and Costs

The Parties acknowledge that Moorberg and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving the issue to be resolved after the material terms of the agreement had been settled. The Parties then negotiated a resolution of the compensation due to Moorberg and his counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure § 1021.5. For all work performed through the mutual execution of this agreement and the Court's approval of the same, but exclusive of fees and costs on appeal, if any, Prym shall reimburse Moorberg and his counsel \$12,000. Prym's payment shall be delivered to the address in Section 3.4 in the form of a check payable to "The Chanler Group." The reimbursement shall cover all fees and costs incurred by Moorberg investigating, bringing this matter to Prym's attention, litigating, and negotiating a settlement of the matter in the public interest.

#### 3.3 Payment Timing; Payments Held in Trust

Prym shall deliver all payments required by this Consent Judgment to its counsel within two weeks of the date that this agreement is fully executed by the Parties. Prym's counsel shall confirm receipt of settlement funds in writing to Moorberg's counsel and, thereafter, hold the amounts paid in trust until such time as the Court grants the motion for approval of the Parties' settlement contemplated by Section 5. Within one week of the Effective Date, Prym's counsel shall deliver all settlement payments it has held in trust to Moorberg's counsel at the address provided in Section 3.4.

#### 3,4 Payment Address

All payments required by this Consent Judgment shall be delivered to the following address:

The Chanler Group Attn: Proposition 65 Controller 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710

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#### 4. CLAIMS COVERED AND RELEASED

#### 4.1 Moorberg's Release of Proposition 65 Claims

Moorberg, acting on his own behalf and in the public interest, releases Defendants (defined as Prym Consumer USA and all predecessor companies, including but not limited to William Prym, Inc.) and its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, and attorneys ("Releasees") and each entity to whom it directly or indirectly distributes or sells the Products including, but not limited to, its downstream distributors, wholesalers, customers, retailers, franchisers, cooperative members, licensors and licensees ("Downstream Releasees") for any violations arising under Proposition 65 for unwarned exposures to DEHP from the Products manufactured, imported, distributed or sold by Prym prior to the Effective Date.

Compliance with the terms of this Consent Judgment constitutes compliance with Proposition 65 by Prym with respect to the alleged or actual failure to warn about exposures to DEHP from Products—manufactured, sold or distributed for sale by Prym after the Effective Date. The Parties agree and understand that the releases provided under this Consent Judgment shall not extend upstream to any entity who manufactures the Products, or who supplied the Products to Prym, except to the extent such Products are/were actually sold by Prym.

#### 4.2 Moorberg's Individual Release of Claims

Moorberg, in his individual capacity only and *not* in his representative capacity, also provides a release to Defendants, Releasees, and Downstream Releasees which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Moorberg of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of alleged or actual exposures to DEHP in Products manufactured, imported, distributed or sold by Prym before the Effective Date.

#### 4.3 Prym Consumer USA's Release of Moorberg

Prym, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors and/or assignees, hereby waives any and all claims against Moorberg and his attorneys and other representatives, for any and all actions taken or statements made (or those that

could have been taken or made) by Moorberg and his attorneys and other representatives in the course of investigating claims, seeking to enforce Proposition 65 against it in this matter, or with respect to the Products.

#### 5. COURT APPROVAL

This Consent Judgment is not effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within one year after it has been fully executed by the Parties. Moorberg and Prym agree to support the entry of this agreement as a judgment, and to obtain the Court's approval of their settlement in a timely manner. The Parties acknowledge that, pursuant to California Health and Safety Code section 25249.7(f), a noticed motion is required for judicial approval of this Consent Judgment, which motion Moorberg shall draft and file and Prym shall support, including by appearing at the hearing if so requested. If any third-party objection to the motion is filed, Moorberg and Prym agree to work together to file a reply and appear at any hearing. This provision is a material component of the Consent Judgment and shall be treated as such in the event of a breach.

#### 6. **SEVERABILITY**

If, subsequent to the Court's approval and entry of this Consent Judgment as a judgment, any provision of this Consent Judgment is held by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

#### 7. **GOVERNING LAW**

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. In the event that Proposition 65 is repealed, preempted, or is otherwise rendered inapplicable by reason of law generally, or as to the Products, then Prym may provide Moorberg with written notice of any asserted change in the law, and shall have no further injunctive obligations pursuant to this Consent Judgment, with respect to, and to the extent that, the Products are so affected. Nothing in this Consent Judgment shall be interpreted to relieve Prym from its obligation to comply with any pertinent state or federal law or regulation.

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Unless specified herein, all correspondence and notice required by this Consent Judgment shall be in writing and sent by: (i) personal delivery, (ii) first-class registered or certified mail, return receipt requested; or (iii) a recognized overnight courier to any Party by the other at the following addresses:

To Prym:

To Moorberg:

Steve Mills, President Prym Consumer USA, Inc. 950 Brisack Road Spartanburg, SC 29303 Attn: Proposition 65 Coordinator The Chanler Group 2560 Ninth Street Parker Plaza, Suite 214 Berkeley, CA 94710-2565

Any Party may, from time to time, specify in writing to the other Party a change of address to which all notices and other communications shall be sent.

#### 9. COUNTERPARTS, FACSIMILE AND PDF SIGNATURES

This Consent Judgment may be executed in counterparts and by facsimile or portable document format (pdf) signature, each of which shall be deemed an original and, all of which, when taken together, shall constitute one and the same document.

#### 10. COMPLIANCE WITH REPORTING REQUIREMENTS

Moorberg and his counsel agree to comply with the reporting form requirements referenced in California Health and Safety Code section 25249.7(f).

#### 11. MODIFICATION

This Consent Judgment may be modified only by: (i) a written agreement of the Parties and the entry of a modified Consent Judgment by the Court thereon; or (ii) upon a successful motion of any party and the entry of a modified Consent Judgment by the Court thereon.

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#### 12. **AUTHORIZATION** The undersigned are authorized to execute this Consent Judgment on behalf of their respective Parties and have read, understood, and agree to all of the terms and conditions of this Consent Judgment. AGREED TO: AGREED TQ: MARK MOORBERG PRYM CONSUMER USA INC. August 15, 2016 Dated: Dated: August 12,2016